

Exhibit 3

Trends in Pharmacy Costs and Utilization

By Therapeutic Group

Los Angeles County Fee for Service Enrollees (excludes non-FFP aid categories)

EDS processed pharmacy claims and state drug/supply codes paid through June 30, 1999

Years shown based on date of service; Excludes Medicare crossover claims

Highlighted cells indicate likely cost contributors

1997 Avg Monthly Eligibles: 1,296,640
 1998 Avg Monthly Eligibles: 908,401
 % chg: -30%

	Total Expenditures (000s)			Net Increase/Decrease (000s)	Total Prescriptions (000s)		
	1997	1998	% chg		1997	1998	% chg
Anti-Infective	\$73,150	\$71,217	-3%	-\$1,934	2,461	1,553	-37%
Biologicals	\$1,637	\$1,785	9%	\$148	2.8	3.8	34%
Antineoplastic	\$9,158	\$11,177	22%	\$2,020	48	58	20%
Endocrine/Metabolic	\$46,371	\$58,768	27%	\$12,397	1,106	1,079	-2%
Cardiovascular	\$99,588	\$111,415	12%	\$11,827	2,403	2,480	3%
Respiratory	\$38,113	\$32,555	-15%	-\$5,558	2,525	1,669	-34%
Gastrointestinal	\$64,339	\$67,363	5%	\$3,024	1,282	1,172	-9%
Genitourinary	\$5,956	\$4,968	-17%	-\$989	232	176	-24%
CNS	\$67,376	\$102,043	51%	\$34,667	1,560	1,578	1%
Analgesics/Anesthetics	\$36,240	\$33,093	-9%	-\$3,147	2,475	1,902	-23%
Neuromuscular	\$24,513	\$27,549	12%	\$3,037	616	630	2%
Nutritional	\$16,295	\$14,505	-11%	-\$1,790	707	518	-27%
Hematological	\$17,275	\$19,133	11%	\$1,858	441	385	-13%
Topical	\$33,220	\$30,187	-9%	-\$3,033	1,620	1,241	-23%
Miscellaneous*	\$140,450	\$168,477	20%	\$28,026	3,111	3,955	27%
TOTAL	\$673,681	\$754,235	12%	\$80,553	20,590	18,397	-11%

	PMPM			Prescriptions per 1,000			Cost per Prescription		
	1997	1998	% chg	1997	1998	% chg	1997	1998	% chg
Anti-Infective	\$4.70	\$6.53	39%	1,898	1,709	-10%	\$29.72	\$45.87	54%
Biologicals	\$0.11	\$0.16	56%	2.2	4.1	92%	\$584.58	\$474.59	-19%
Antineoplastic	\$0.59	\$1.03	74%	37	64	71%	\$190.12	\$193.35	2%
Endocrine/Metabolic	\$2.98	\$5.39	81%	853	1,188	39%	\$41.94	\$54.48	30%
Cardiovascular	\$6.40	\$10.22	60%	1,853	2,730	47%	\$41.44	\$44.93	8%
Respiratory	\$2.45	\$2.99	22%	1,948	1,837	-6%	\$15.09	\$19.51	29%
Gastrointestinal	\$4.14	\$6.18	49%	989	1,290	30%	\$50.20	\$57.50	15%
Genitourinary	\$0.38	\$0.46	19%	179	194	8%	\$25.71	\$28.21	10%
CNS	\$4.33	\$9.36	116%	1,203	1,737	44%	\$43.18	\$64.68	50%
Analgesics/Anesthetics	\$2.33	\$3.04	30%	1,909	2,094	10%	\$14.64	\$17.40	19%
Neuromuscular	\$1.58	\$2.53	60%	475	693	46%	\$39.79	\$43.74	10%
Nutritional	\$1.05	\$1.33	27%	545	571	5%	\$23.06	\$27.99	21%
Hematological	\$1.11	\$1.76	58%	340	423	25%	\$39.20	\$49.74	27%
Topical	\$2.14	\$2.77	30%	1,250	1,366	9%	\$20.50	\$24.33	19%
Miscellaneous*	\$9.03	\$15.46	71%	2,399	4,354	81%	\$45.15	\$42.60	-6%
TOTAL	\$43.30	\$69.19	60%	15,879	20,253	28%	\$32.72	\$41.00	25%

* Miscellaneous includes Antiseptic-Disinfectants, Antidotes, Diagnostic Products, Chemicals, Medical Devices, Supplies, Pharmaceutical Adjuvants and other Unspecified Compounds